

AMENDED IN SENATE MAY 10, 2012

AMENDED IN SENATE APRIL 18, 2012

AMENDED IN SENATE JULY 12, 2011

AMENDED IN ASSEMBLY APRIL 6, 2011

AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1099**

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**Introduced by Assembly Member Bonnie Lowenthal**

February 18, 2011

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An act to amend Sections 7235 and 7236 of the Revenue and Taxation Code, and to amend Sections 34501.12, 34505.6, 34515, 34601, 34622, 34623, and 40000.22 of, and to repeal Sections 34505.5 and 34606 of, the Vehicle Code, relating to vehicles.

### **LEGISLATIVE COUNSEL'S DIGEST**

AB 1099, as amended, Bonnie Lowenthal. Vehicles: motor carriers: inspection of terminals program.

Existing law establishes the Biennial Inspection of Terminals Program (BIT) to ensure the safe operation of certain vehicles by a motor carrier through the inspection of these vehicles at the motor carrier's terminal by the Department of the California Highway Patrol. Existing law defines a motor carrier, for this purpose, as the registered owner of, and in some cases the lessee or person exclusively authorizing and directing the operation of, specified vehicles. Existing law requires, within 30 days of establishing a terminal, a motor carrier to schedule an inspection by submitting to the department an application for a terminal inspection

accompanied by the payment of a fee the amount of which is based on the number of vehicles in a terminal or the “terminal fleet size.” Existing law requires the department to inspect every terminal at least once every 25 months and defines a terminal as the location or locations designated by the motor carrier where subject vehicles and specific records are available for inspection.

This bill would revise and recast these provisions as the Basic Inspection of Terminals (BIT) program. The bill would define motor carrier for this purpose as the registered owner, lessee, licensee, or bailee of specified vehicles. The bill would make it unlawful to operate a new terminal unless an inspection is conducted within the first 18 months of operation. The bill would instead authorize the department to conduct terminal inspections at any time. The bill would require the department, on or before January 1, ~~2014~~ 2015, to implement a performance-based truck terminal inspection priority system similar to that used by the Federal Motor Carrier Safety Administration that would require the department to place an inspection priority on motor carrier terminals never previously inspected by the department. Nonpriority terminals would not be required to be inspected less than 4 years since their last inspection.

The bill would require a motor carrier to make vehicles and records available for inspection upon request by the department and to pay a carrier inspection fee, the amount to be based on the size of the motor carrier’s fleet. The bill would impose a penalty for failure to pay the fee. The bill would make other technical and conforming changes to the BIT program.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 7235 of the Revenue and Taxation Code
- 2 is amended to read:
- 3 7235. The Safety Fee and Carrier Inspection Fee imposed by
- 4 this chapter shall be paid by all motor carriers of property, as
- 5 defined in Section 34601 of the Vehicle Code.
- 6 SEC. 2. Section 7236 of the Revenue and Taxation Code is
- 7 amended to read:
- 8 7236. (a) Uniform business license tax fee payments collected
- 9 by the Department of Motor Vehicles pursuant to Section 7232

shall be deposited in the State Treasury to the credit of the General Fund. All other funds collected by the Department of Motor Vehicles pursuant to Section 7232 shall be deposited in the State Treasury to the credit of the Motor Vehicle Account in the State Transportation Fund. The following fees shall be paid to the department:

(1) For-hire motor carriers of property shall pay, according to the schedule in subdivision (c), fees indicated as the safety fee, carrier inspection fee, and uniform business license tax fee, based on the size of their motor vehicle fleet.

(2) (A) Private carriers of property with a fleet size of 10 or less motor vehicles shall pay a safety fee of thirty-five dollars (\$35). Private carriers of property with a fleet size of 11 or more motor vehicles shall pay, according to the schedule in subdivision (c), fees indicated as the safety fee, based on the size of their motor vehicle fleet. Any carrier that does not pay a uniform business license tax fee shall not operate as a for-hire motor carrier.

(B) Private carriers of property shall pay, according to the schedule of fees in subdivision (c), fees indicated as the carrier inspection fee based on the size of the motor vehicle fleet.

(b) "Fleet size" as used in this section, does not include vehicles described in subdivision (e) of Section 34500.

(c) (1) A seasonal permit may be issued to a motor carrier of property upon payment of fees indicated as the safety fee and one-twelfth of the fee indicated as the uniform business license tax fee, rounded to the next dollar, for each month the permit is valid. The original seasonal permit shall be valid for a period of not less than six months, and may be renewed upon payment of a five-dollar (\$5) fee, and one-twelfth of the fee indicated as a uniform business license tax fee for each additional month of operation.

Fleet Size—Commercial		Uniform Business License Tax	<i>Carrier Inspection Fee</i>
Motor Vehicles Fee	Safety Fee		
1	\$60	\$60	\$130
2–4	75	125	152
5–10	200	275	252
11–20	240	470	573
21–35	325	650	743

1	36–50	430	880	961
2	51–100	535	1,075	1,112
3	101–200	635	1,300	1,463
4	201–500	730	1,510	1,512
5	501–1,000	830	1,715	1,600
6	1,001–2,000	930	1,900	1,800
7	2,001–over	1,030	2,000	2,114

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9 (2) Notwithstanding the fee schedule in paragraph (1), except  
 10 for the carrier inspection fee, motor carriers of property with 10  
 11 or fewer trucks shall not pay fees higher than they would have  
 12 paid under the fee structure in place as of January 1, 1996.  
 13 Notwithstanding Section 34606 of the Vehicle Code, fees for these  
 14 carriers shall not be subject to an increase by the Department of  
 15 Motor Vehicles.

16 (d) Failure to pay a fee required by this section, within the  
 17 appropriate timeframe, shall result in additional delinquent fees  
 18 as follows:

19 (1) For a delinquency period of more than 30 days, the penalty  
 20 is 60 percent of the required fee.

21 (2) For a delinquency period of one to two years, the penalty is  
 22 80 percent of the required fee.

23 (3) For a delinquency period of more than two years, the penalty  
 24 is 160 percent of the required fee.

25 (e) Funds derived from safety fees shall remain in the Motor  
 26 Vehicle Account in the State Transportation Fund and shall be  
 27 available for appropriation by the Legislature to cover costs  
 28 incurred by the Department of Motor Vehicles and the Department  
 29 of the California Highway Patrol in regulating and inspecting motor  
 30 carriers of property pursuant to Division 14.8 (commencing with  
 31 Section 34500) and Division 14.85 (commencing with Section  
 32 34600) of the Vehicle Code.

33 (f) It is the intent of the Legislature that the fee schedule  
 34 established in subdivision (c) shall not discriminate against small  
 35 fleet or individual vehicle operators or result in a disproportionate  
 36 share of those fees being assigned to small fleet or individual  
 37 vehicle operators.

38 SEC. 3. Section 34501.12 of the Vehicle Code is amended to  
 39 read:

34501.12. (a) As used in this section and Section 34505.6, “motor carrier” means the registered owner, or a lessee, licensee, or bailee, of any vehicle described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section 34500, who operates or directs the operation of that vehicle.

(b) It is unlawful for a motor carrier to operate any vehicle of a type described in subdivision (a) without identifying to the department all terminals, as defined in Section 34515, in this state where vehicles may be inspected by the department pursuant to paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection. Motor carriers shall make vehicles and records available for inspection upon request by an authorized representative of the department. If a motor carrier fails to provide vehicles and records, an unsatisfactory terminal rating shall be issued by the department.

(1) The number of vehicles that will be selected for inspection by the department at a terminal shall be based on terminal fleet size and applied separately to a terminal fleet of power units and trailers, according to the following schedule:

Fleet Size	Vehicles
1 or 2	All
3 to 8	3
9 to 15	4
16 to 25	6
26 to 50	9
51 to 90	14
91 or more	20

(2) The lessor of any vehicle described in subdivision (a) shall make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. This section does not affect whether the lessor or driver provided by the lessor is an employee of the authorized carrier lessee and compliance with this section and its attendant administrative requirements does not imply an employee-employer relationship.

1 (c) (1) The department may inspect any terminal, as defined in  
2 Section 34515, of a motor carrier who, at any time, operates any  
3 vehicle described in subdivision (a).

4 (2) On or before January 1, ~~2014~~ 2015, the department shall  
5 adopt regulations establishing a performance-based truck terminal  
6 inspection priority system. This may include systems or  
7 methodologies used by the Federal Motor Carrier Safety  
8 Administration, and the department may also incorporate other  
9 safety-related data in this system. The department shall place an  
10 inspection priority on motor carrier terminals never previously  
11 inspected by the department and those terminals operating vehicles  
12 listed in subdivision (g) of Section 34500. Nonpriority terminals  
13 are not required to be inspected less than four years since last  
14 inspected.

15 (3) As used in this section and Section 34505.6, subdivision (f)  
16 of Section 34500 includes only those combinations where the gross  
17 vehicle weight rating (GVWR) of the towing vehicle exceeds  
18 10,000 pounds, but does not include a pickup truck or any  
19 combination never operated in commercial use, and subdivision  
20 (g) of Section 34500 includes only those vehicles transporting  
21 hazardous material for which the display of placards is required  
22 pursuant to Section 27903, a license is required pursuant to Section  
23 32000.5, or for which hazardous waste transporter registration is  
24 required pursuant to Section 25163 of the Health and Safety Code.  
25 Notwithstanding Section 5014.1, vehicles that display special  
26 identification plates in accordance with Section 5011, historical  
27 vehicles, as described in Section 5004, implements of husbandry  
28 and farm vehicles, as defined in Chapter 1 (commencing with  
29 Section 36000) of Division 16, and vehicles owned or operated  
30 by an agency of the federal government are not subject to this  
31 section or Section 34505.6.

32 (d) (1) It is unlawful for a motor carrier to operate a vehicle  
33 from a new terminal, which is subject to this section, unless an  
34 inspection is performed on the terminal, and a safety compliance  
35 report is issued to the motor carrier regarding the terminal, within  
36 the first 18 months of operating a vehicle subject to this section  
37 from the new terminal. It is the responsibility of the motor carrier  
38 to schedule with the department the inspection of any new terminal  
39 within 90 days of operating vehicles from that new terminal.

(2) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier, subject to this section, unless the contracted motor carrier has complied with paragraph (1). A motor carrier shall not contract or subcontract with, or otherwise engage the services of, another motor carrier until the contracted motor carrier provides certification of compliance with paragraph (1). This certification shall be completed in writing by the contracted motor carrier. The certification, or a copy of the certification, shall be maintained by each involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection immediately upon the request of an authorized employee of the department.

(e) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected by the department within 120 days after the issuance of the unsatisfactory compliance rating.

(2) When a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

(f) A motor carrier issued an unsatisfactory terminal rating may request a review of the rating within five business days of receipt of the notification of the rating. The department shall conduct and evaluate the review within 10 business days of the request.

(g) This section shall be known and may be cited as the Basic Inspection of Terminals program or BIT program.

SEC. 4. Section 34505.5 of the Vehicle Code is repealed.

SEC. 5. Section 34505.6 of the Vehicle Code is amended to read:

34505.6. (a) Upon determining that a motor carrier of property who is operating any vehicle described in subdivision (a), (b), (e), (f), (g), or (k) of Section 34500, or any motortruck of two or more axles that is more than 10,000 pounds gross vehicle weight rating, on a public highway, has done either of the following, the department shall recommend that the Department of Motor Vehicles suspend or revoke the carrier's motor carrier permit, or, for interstate operators, the department shall recommend to the

1 Federal Motor Carrier Safety Administration that appropriate  
2 administrative action be taken against the carrier:

3 (1) Failed to maintain any vehicle of a type described above in  
4 a safe operating condition or to comply with the Vehicle Code or  
5 with applicable regulations contained in Title 13 of the California  
6 Code of Regulations, and, in the department's opinion, that failure  
7 presents an imminent danger to public safety or constitutes a  
8 consistent failure so as to justify a suspension or revocation of the  
9 motor carrier's motor carrier permit.

10 (2) Failed to enroll all drivers in the pull-notice system as  
11 required by Section 1808.1.

12 (b) Upon determining that a household goods carrier, or a  
13 household goods carrier transporting used office, store, or  
14 institution furniture and fixtures under its household goods carrier  
15 permit issued under Section 5137 of the Public Utilities Code,  
16 operating any vehicle described in subdivision (a), (b), (e), (f), (g),  
17 or (k) of Section 34500 on a public highway, has done either of  
18 the following, the department shall recommend that the Public  
19 Utilities Commission deny, suspend, or revoke the carrier's  
20 operating authority, or for interstate operators, the department shall  
21 recommend to the Federal Motor Carrier Safety Administration  
22 that appropriate administrative action be taken against the carrier:

23 (1) Failed to maintain any vehicle used in transportation for  
24 compensation in a safe operating condition or to comply with the  
25 Vehicle Code or with applicable regulations contained in Title 13  
26 of the California Code of Regulations, and, in the department's  
27 opinion, that failure presents an imminent danger to public safety  
28 or constitutes a consistent failure so as to justify a suspension,  
29 revocation, or denial of the motor carrier's operating authority.

30 (2) Failed to enroll all drivers in the pull-notice system as  
31 required by Section 1808.1.

32 (c) For purposes of this section, two consecutive unsatisfactory  
33 compliance ratings for an inspected terminal assigned because the  
34 motor carrier failed to comply with the periodic report requirements  
35 of Section 1808.1 or the cancellation of the carrier's enrollment  
36 by the Department of Motor Vehicles for the nonpayment of  
37 required fees is a consistent failure. The department shall retain a  
38 record, by operator, of every recommendation made pursuant to  
39 this section.



1 (d) Before transmitting a recommendation pursuant to  
2 subdivision (a), the department shall notify the carrier in writing  
3 of all of the following:

4 (1) That the department has determined that the carrier's safety  
5 record or compliance with Section 1808.1 is unsatisfactory,  
6 furnishing a copy of any documentation or summary of any other  
7 evidence supporting the determination.

8 (2) That the determination may result in a suspension,  
9 revocation, or denial of the carrier's motor carrier permit by the  
10 Department of Motor Vehicles, suspension, revocation, of the  
11 motor carrier's operating authority by the California Public Utilities  
12 Commission, or administrative action by the Federal Motor Carrier  
13 Safety Administration.

14 (3) That the carrier may request a review of the determination  
15 by the department within five days of its receipt of the notice  
16 required under this subdivision. If a review pursuant to this  
17 paragraph is requested by the carrier, the department shall conduct  
18 and evaluate that review prior to transmitting any notification  
19 pursuant to subdivision (a) or (b).

20 (e) Upon receipt of a written recommendation from the  
21 department that a motor carrier permit or operating authority be  
22 suspended, revoked, or denied, the Department of Motor Vehicles  
23 or Public Utilities Commission, as appropriate, shall, pending a  
24 hearing in the matter pursuant to Section 34623 or appropriate  
25 Public Utilities Commission authority, suspend the motor carrier  
26 permit or operating authority. The written recommendation shall  
27 specifically indicate compliance with subdivision (d).

28 SEC. 6. Section 34515 of the Vehicle Code is amended to read:

29 34515. (a) As used in this division and in regulations adopted  
30 pursuant to this division, "maintenance facility or terminal" means  
31 any place or places where a vehicle of a type listed in Section  
32 34500 is regularly garaged or maintained, or from which it is  
33 operated or dispatched. "Maintenance facility or terminal" may  
34 include a private business or residence.

35 (b) For the purpose of the inspections conducted pursuant to  
36 Section 34501.12, "terminal" means the location or locations in  
37 this state that are designated by a motor carrier, where subject  
38 vehicles may be inspected by the department and where vehicle  
39 maintenance and inspection records and drivers' records will be  
40 made available for inspection.

1 SEC. 7. Section 34601 of the Vehicle Code is amended to read:

2 34601. (a) As used in this division, “motor carrier of property”  
3 means any person who operates any commercial motor vehicle as  
4 defined in subdivision (c). “Motor carrier of property” does not  
5 include a household goods carrier, as defined in Section 5109 of  
6 the Public Utilities Code, a household goods carrier transporting  
7 used office, store, and institution furniture and fixtures under its  
8 household goods carrier permit pursuant to Section 5137 of the  
9 Public Utilities Code, persons providing only transportation of  
10 passengers, or a passenger stage corporation transporting baggage  
11 and express upon a passenger vehicle incidental to the  
12 transportation of passengers.

13 (b) As used in this division, “for-hire motor carrier of property”  
14 means a motor carrier of property as defined in subdivision (a)  
15 who transports property for compensation.

16 (c) (1) As used in this division, except as provided in paragraph  
17 (2), a “commercial motor vehicle” means any self-propelled vehicle  
18 listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500,  
19 any motortruck of two or more axles that is more than 10,000  
20 pounds gross vehicle weight rating, and any other motor vehicle  
21 used to transport property for compensation.

22 (2) As used in this division, “commercial motor vehicle” does  
23 not include any of the following:

24 (A) Vehicles identified in subdivision (f) of Section 34500, if  
25 the gross vehicle weight rating of the towing vehicle is 10,000  
26 pounds or less.

27 (B) Vehicles identified in subdivision (g) of Section 34500, if  
28 the hazardous material transportation does not require the display  
29 of placards under Section 27903, a license under Section 32000.5,  
30 or a hazardous waste transporter registration under Section 25163  
31 of the Health and Safety Code, and the vehicle is not operated in  
32 commercial use.

33 (C) Vehicles operated by a household goods carrier, as defined  
34 in Section 5109 of the Public Utilities Code, under the household  
35 goods carrier permit pursuant to Section 5137 of that code.

36 (D) Vehicles operated by a household goods carrier to transport  
37 used office, store, and institution furniture and fixtures under its  
38 household goods carrier permit pursuant to Section 5137 of the  
39 Public Utilities Code.

1 (E) Pickup trucks as defined in Section 471, if the conditions  
2 in subparagraphs (A) and (B) are also met.

3 (F) Two-axle daily rental trucks with a gross vehicle weight  
4 rating of less than 26,001 pounds, when operated in noncommercial  
5 use.

6 (G) Motortrucks or two-axle truck tractors, with a gross vehicle  
7 weight rating of less than 26,001 pounds, operated singly, or, when  
8 used to tow a camp trailer, trailer coach, fifth-wheel travel trailer,  
9 trailer designed to transport watercraft, or utility trailer, never  
10 operated in commercial use. Vehicle combinations described in  
11 this subparagraph are not subject to Section 27900, 34501.12, or  
12 34507.5.

13 (d) For purposes of this chapter, “private carrier” means a motor  
14 carrier of property, who transports only his or her own property,  
15 including, but not limited to, the delivery of goods sold by that  
16 carrier.

17 SEC. 8. Section 34606 of the Vehicle Code is repealed.

18 SEC. 9. Section 34622 of the Vehicle Code is amended to read:

19 34622. This chapter does not apply to any of the following:

20 (a) Vehicles described in Section 5004 or 5011, and those that  
21 are exempt from vehicle registration fees.

22 (b) A household goods carrier transporting used office, store,  
23 and institution furniture and fixtures under its household goods  
24 carrier permit pursuant to Section 5137 of the Public Utilities Code.

25 SEC. 10. Section 34623 of the Vehicle Code is amended to  
26 read:

27 34623. (a) The Department of the California Highway Patrol  
28 has exclusive jurisdiction for the regulation of safety of operation  
29 of motor carriers of property.

30 (b) The motor carrier permit of a motor carrier of property may  
31 be suspended for failure to do either of the following:

32 (1) Maintain any vehicle of the carrier in a safe operating  
33 condition or to comply with this code or with applicable regulations  
34 contained in Title 13 of the California Code of Regulations, if that  
35 failure is either a consistent failure or presents an imminent danger  
36 to public safety.

37 (2) Enroll all drivers in the pull-notice system as required by  
38 Section 1808.1.

39 (c) The motor carrier permit of a motor carrier of property shall  
40 be suspended for failure to either (1) comply with the requirements

1 of federal law described in subdivision (a) of Section 34520 of the  
2 Vehicle Code, or (2) make copies of results and other records  
3 available as required by subdivision (b) of that section. The  
4 suspension shall be as follows:

5 (1) For a serious violation, which is a willful failure to perform  
6 substance abuse testing in accordance with state or federal law:

7 (A) For a first offense, a mandatory five-day suspension.

8 (B) For a second offense within three years of a first offense, a  
9 mandatory three-month suspension.

10 (C) For a third offense within three years of a first offense, a  
11 mandatory one year suspension.

12 (2) For a nonserious violation, the time recommended to the  
13 department by the Department of the California Highway Patrol.

14 (3) For the purposes of this subdivision, “willful failure” means  
15 any of the following:

16 (A) An intentional and uncorrected failure to have a controlled  
17 substances and alcohol testing program in place.

18 (B) An intentional and uncorrected failure to enroll an employed  
19 driver into the controlled substances and alcohol testing program.

20 (C) A knowing use of a medically disqualified driver, including  
21 the failure to remove the driver from safety-sensitive duties upon  
22 notification of the medical disqualification.

23 (D) An attempt to conceal legal deficiencies in the motor  
24 carrier’s controlled substances and alcohol testing program.

25 (d) The department, pending a hearing in the matter pursuant  
26 to subdivision (f), may suspend a carrier’s permit.

27 (e) (1) A motor carrier whose motor carrier permit is suspended  
28 pursuant to subdivision (b) may obtain a reinspection of its terminal  
29 and vehicles by the Department of the California Highway Patrol  
30 by submitting a written request for reinstatement to the department  
31 and paying a reinstatement fee as required by Section 34623.5.

32 (2) The department shall deposit all reinstatement fees collected  
33 from motor carriers of property pursuant to this section in the fund.  
34 Upon receipt of the fee, the department shall forward a request to  
35 the Department of the California Highway Patrol, which shall  
36 perform a reinspection within a reasonable time, or shall verify  
37 receipt of the application or fee or both the application and fee.  
38 Following the term of a suspension imposed under Section 34670,  
39 the department shall reinstate a carrier’s motor carrier permit  
40 suspended under subdivision (b) upon notification by the

1 Department of the California Highway Patrol that the carrier's  
2 safety compliance has improved to the satisfaction of the  
3 Department of the California Highway Patrol, unless the permit  
4 is suspended for another reason or has been revoked.

5 (f) Whenever the department suspends the permit of any carrier  
6 pursuant to subdivision (b), (c), or paragraph (3) of subdivision  
7 (i), the department shall furnish the carrier with written notice of  
8 the suspension and shall provide for a hearing within a reasonable  
9 time, not to exceed 21 days, after a written request is filed with  
10 the department. At the hearing, the carrier shall show cause why  
11 the suspension should not be continued. Following the hearing,  
12 the department may terminate the suspension, continue the  
13 suspension in effect, or revoke the permit. The department may  
14 revoke the permit of any carrier suspended pursuant to subdivision  
15 (b) at any time that is 90 days or more after its suspension if the  
16 carrier has not filed a written request for a hearing with the  
17 department or has failed to submit a request for reinstatement  
18 pursuant to subdivision (e).

19 (g) Notwithstanding any other provision of this code, a hearing  
20 shall not be provided if the suspension of the motor carrier permit  
21 is based solely upon the failure of the motor carrier to maintain  
22 satisfactory proof of financial responsibility as required by this  
23 code.

24 (h) A motor carrier of property may not operate a commercial  
25 motor vehicle on any public highway in this state during any period  
26 its motor carrier of property permit is suspended pursuant to this  
27 division.

28 (i) (1) A motor carrier of property whose motor carrier permit  
29 is suspended pursuant to this section or Section 34505.6, which  
30 suspension is based wholly or in part on the failure of the motor  
31 carrier to maintain any vehicle in safe operating condition, may  
32 not lease, or otherwise allow, another motor carrier to operate the  
33 vehicles of the carrier subject to the suspension, during the period  
34 of the suspension.

35 (2) A motor carrier of property may not knowingly lease,  
36 operate, dispatch, or otherwise utilize any vehicle from a motor  
37 carrier of property whose motor carrier permit is suspended, which  
38 suspension is based wholly or in part on the failure of the motor  
39 carrier to maintain any vehicle in safe operating condition.

1 (3) The department may immediately suspend the motor carrier  
2 permit of any motor carrier that the department determines to be  
3 in violation of paragraph (2).

4 SEC. 11. Section 40000.22 of the Vehicle Code is amended to  
5 read:

6 40000.22. (a) A violation of subdivision (e) of Section 34501,  
7 subdivision (b) or (d) of Section 34501.12, or subdivision (c) of  
8 Section 34501.14, relating to applications for inspections, is a  
9 misdemeanor and not an infraction.

10 (b) A violation of Division 14.85 (commencing with Section  
11 34600), relating to motor carriers of property, is a misdemeanor  
12 and not an infraction.